Exhibit 362
(Filed Under Seal)

* * * H I G H L Y C O N F I D E N T I A L * * *

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

THE PEOPLE OF THE STATE OF NEW YORK, by and through ERIC T. SCHNEIDERMAN, Attorney General of the State of New York,	)	
Plaintiff,	)	
vs.	)	No. 14-CV-7473
ACTAVIS, PLC and FOREST LABORATORIES, LLC,	)	
Defendants.	)	

October 30, 2014

9:39 a.m.

Deposition of WILLIAM P. KANE, held at the offices of State of New York Office of the Attorney General, 120 Broadway, New York, New York, before Laurie A. Collins, a Registered Professional Reporter and Notary Public of the State of New York.

Q. So why would the volume issue affect whether or not the Foundation Care sales would go through, because Foundation Care won't be selling XR, will they?

A. No, Foundation Care -- Foundation Care will be selling IR tablets.

Q. So why does the XR production problem have anything to do with whether or not or even when Foundation Care will start selling IR?

A. Because the market, based on the survey results, based on the persistent conversion of IR to XR that's been occurring over the past year plus, the market basically has voted that Namenda XR is a preferred product, it offers significant benefit over the tablet formulation.

So we need to be ready to supply that component to the market before we implement any limited distribution of Namenda tablets.

Q. Oh, I see. So you're saying that if the XR supply problem does -- not that it will, but if it does cause some type of delay or cancellation of implementation of the Foundation Care arrangement, it would be because there would be no limitation on the distribution of IR?

A. Until we -- the company implements the limited distribution program, the sale of Namenda IR tablets continues, as does the sale of Namenda oral solution and the sale of Namenda XR.

We have experienced a temporary issue with decreased supply of Namenda XR. That occurred in the summer months. What we noted was that patients who were taking Namenda XR who may not be able to temporarily get a prescription, they were put back on Namenda IR.

And now that they have more Namenda XR available, those patients are being converted back by their physicians back to Namenda once a day.

Q. I see. You spoke about the cost being comparable for XR. Was that one of the three conditions you mentioned?

A. That is one of the foundational components.

Q. By "cost" do you mean the out-of-pocket cost to the patient or do you include in that the cost to insurers of whatever type?

A. So cost varies based on stakeholder. On a list price basis, the price of Namenda XR is 5 percent lower than the price of Namenda tablets

on a daily basis, on a comparable basis.

We offer significant discounts in excess of the discounts we offer on Namenda tablets to managed care customers, including long-term care pharmacy providers, et cetera. And then ultimately we do that to improve the formulary coverage and access to Namenda tablets so that the out-of-pocket cost, the copay, is comparable to the Namenda tablets.

Q. So the comparable costs that you're speaking of are comparable costs out of pocket to the patient, meaning copays and things likes that; right?

MR. CARNEY: Objection, mischaracterizes testimony.

You can answer.

A. I think you have to put it in context because the ultimate out-of-pocket cost to the patient depends on the formulary access for Namenda XR, which is dependent on the managed care organization, and there are clinical and economic review and decision making regarding coverage of Namenda XR.

So we have -- we have worked hard to

ensure that Namenda XR's formulary coverage, particularly in the Medicare Part D space is comparable to Namenda IR tablets.

Q. I think I understand. I just want to make sure I do. You're saying that when you take into consideration cost and comparable cost, you're not taking into consideration the copayments through other mechanisms; you're also taking into consideration whether a third-party payer is paying more for XR than IR. And I think you're telling me they don't; is that correct?

A. Not to my knowledge. We offer significant, higher rebates, if you will, on Namenda XR versus IR.

Q. Did you say that the list price for XR is lower than the list price for IR?

A. Yes, it is. It's always been lower since launch, by 5 percent.

Q. Putting aside the copayments and what's borne by the patient for the third-party payers, is it your testimony that XR will always be cheaper than IR, you know, let's say between now and July, or that it may be lower, or it depends on the circumstances?